

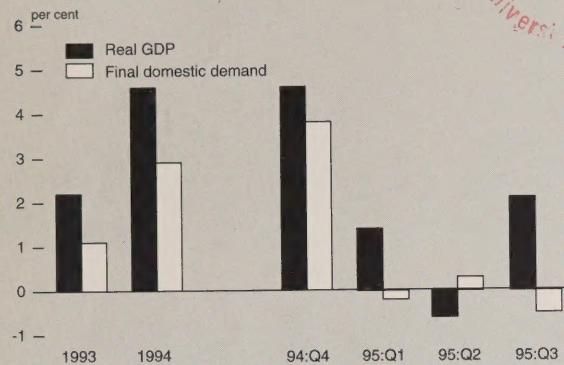
Government of Canada Securities

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A Publication of the Department of Finance

December 1995

Real GDP, final domestic demand (annualized growth)



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University of Toronto

Selected Canadian economic statistics

	1994			1995		
	1993	1994	Q4	Q1	Q2	Q3
Annualized growth rates:						
Real gross domestic product	2.2	4.6	4.6	1.4	-0.6	2.1
GDP excluding inventories	1.4	4.3	5.1	-1.8	-0.9	3.2
Final domestic demand	1.1	2.9	3.8	-0.2	0.3	-0.5
Employment	1.3	2.1	2.7	1.1	0.2	0.6
Other:						
Unemployment rate	11.2	10.4	9.7	9.7	9.5	9.5
Current account balance (per cent of nominal GDP)	-4.0	-3.0	-2.1	-2.5	-2.4	-1.7

Source: Statistics Canada.

International CPI inflation comparisons

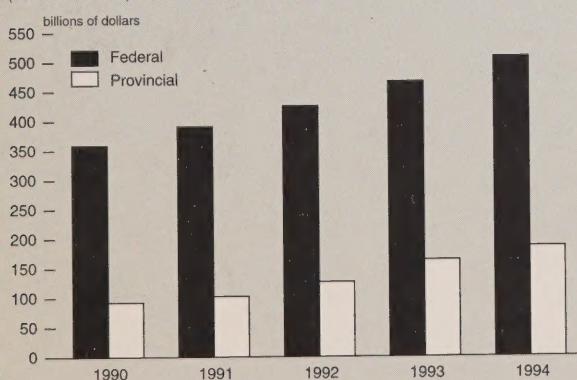
(per cent change in CPI)

	Average annual growth					1994												1995											
	1990	1991	1992	1993	1994	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Canada	4.8	5.6	1.5	1.8	0.2	-0.2	-0.1	0.3	0.6	1.8	2.2	2.5	2.9	2.7	2.6	2.3	2.3												
United States	5.4	4.2	3.0	3.0	2.6	2.6	2.7	2.7	2.8	2.8	2.8	3.1	3.2	3.0	2.7	2.6	2.6												
Germany	2.7	3.5	5.2	4.4	2.7	2.6	2.5	2.5	2.2	2.0	1.9	2.0	1.8	1.9	1.8	1.7	1.7												
Japan	3.1	3.3	1.6	1.1	0.5	0.6	0.8	0.5	0.4	0.0	-0.6	-0.3	-0.2	0.1	-0.2	-0.5	-0.1												

Sources: Statistics Canada, OECD, Department of Finance.

Canadian public sector debt

(as of March 31)



Representative Canadian interest rates

	1994		1995				
	1994	Q4	Q1	Q2	Q3	Oct	Nov
Bank rate		5.77	6.36	8.41	7.59	6.72	7.65
Chartered bank prime rate		6.88	7.33	9.50	9.25	8.08	8.00
3-month Treasury bills		5.52	6.13	8.17	7.33	6.52	7.16
10-year Canada bonds		8.42	9.12	8.89	8.00	8.05	7.86
30-year Canada bonds		8.69	9.25	9.01	8.32	8.45	8.28

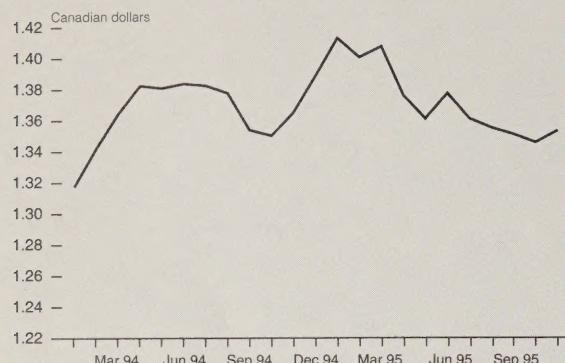
Canada-U.S. interest rate differentials

	1994		1995				
	1994	Q4	Q1	Q2	Q3	Oct	Nov
3-month Treasury bills		1.07	0.62	2.27	1.61	1.05	1.78
10-year Canada bonds		1.31	1.27	1.47	1.54	1.70	1.86

Sources: Bank of Canada, Department of Finance.

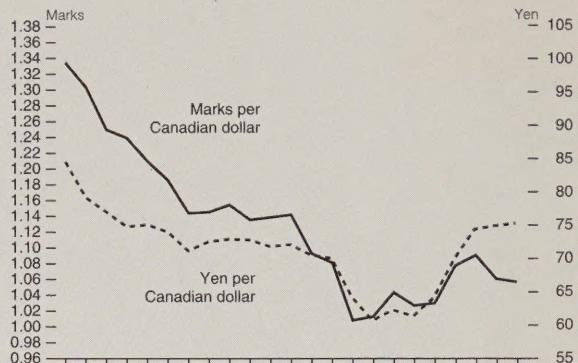
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Exchange rate (Canadian dollars per U.S. dollar)



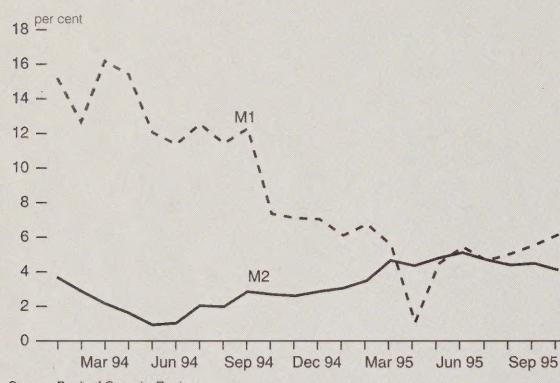
Source: Bank of Canada Review.

Exchange rates (Marks and yen per Canadian dollar)



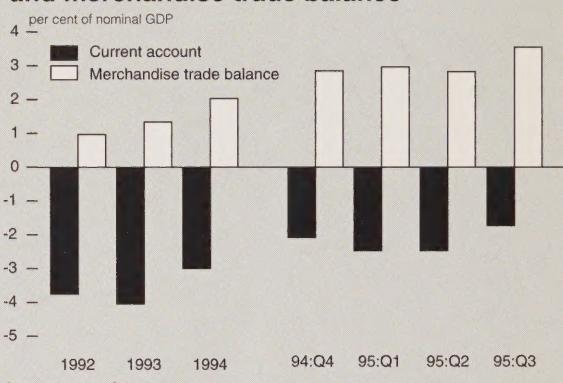
Source: Bank of Canada Review.

Canadian monetary aggregates (year-over-year percentage growth)



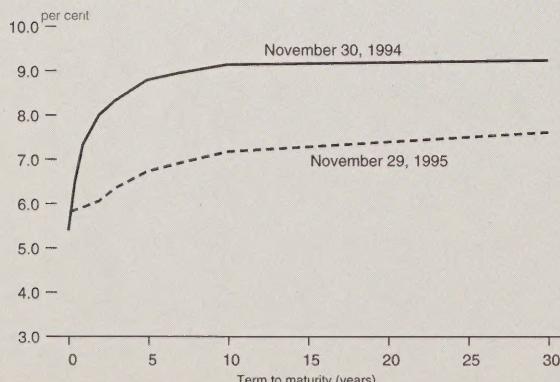
Source: Bank of Canada Review.

Canada's current account balance and merchandise trade balance



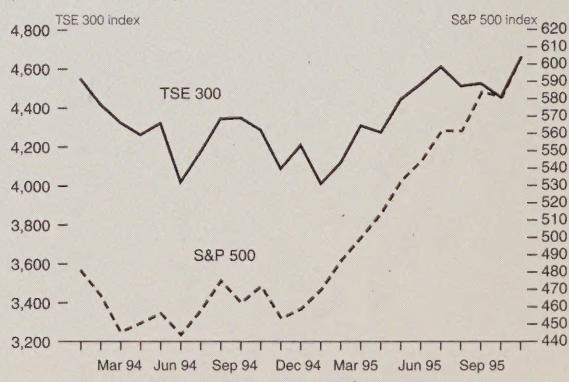
Source: Statistics Canada.

Canadian yield curve



Sources: Bank of Canada Review, Department of Finance.

Stock market averages (Canada and the U.S.)



Source: Bank of Canada Review.

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Upcoming dates of interest

Fourth quarter national accounts release – February 29, 1995

Government of Canada bond market benchmarks, November 6, 1995

Term	Maturity	Coupon	Amount outstanding	Yield Nov 6/95
Fixed coupon:				
		(%)	(millions of dollars)	(%)
2-year	Sep 15/97	7.00	5,400	6.05
3-year	Nov 1/98	8.00	5,100	6.33
5-year	Sep 1/00	7.50	7,600	6.72
10-year	Dec 1/05	8.75	8,000	7.16
30-year	Jun 1/25	9.00	7,650	7.62
Real return:				
30-year	Dec 1/21	4.25	5,175	4.47

The normal bid-ask spread on these bonds is 5 cents.

Source: Department of Finance.

Forthcoming Government of Canada bond auctions

Type of issue	Auction/offering date (1995/96)	Further details of issue (1995/96)	Dated and delivered (1996)	Amount maturing (millions of dollars)
Bond auction	Dec 20	Dec 14	Jan 4	—
30-year auction*	Jan 17	Jan 11	Feb 1	3,500
10-year auction*	Jan 31	Jan 25	Feb 15	—
5-year auction*	Feb 14	Feb 8	Mar 1	2,600
RRB auction**	Feb 28	Feb 22	Mar 6	—
2-year auction*	Mar 6	Feb 29	Mar 15	4,900
Bond auction	Mar 20	Mar 14	Mar 29	—

*Quarterly issue.

**Single-price auction format.

Recent Government of Canada bond auction results (1995)

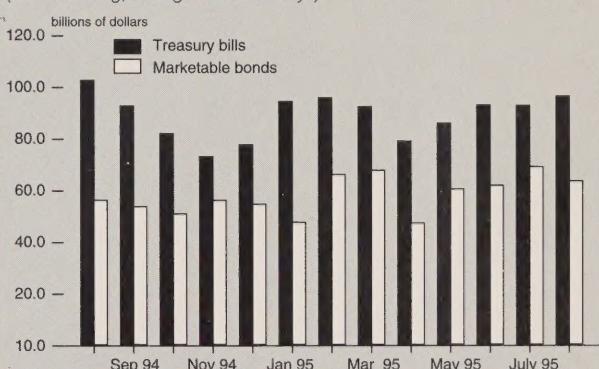
Auction date	Term	Maturity date	Coupon rate	Issue amount	Auction coverage
	(years)		(%)	(millions of dollars)	
Sep 20/95	5	Mar 1/01	7.50	2,300	2.1
Oct 18/95	30	Jun 1/25	9.00	1,100	2.0
Nov 8/95	10	Dec 1/05	8.75	2,000	2.6
Nov 22/95	5	Mar 1/01	7.50	2,400	2.5
Nov 29/95	30	Dec 1/26	4.25*	300	2.5
Dec 6/95	2	Mar 15/98	6.00	2,800	2.5

Coverage is defined as the ratio of total bids at auction to the amount auctioned.

*Real Return Bonds.

Source: Department of Finance.

Government of Canada Treasury bills and bonds (market trading, average of Wednesdays)



Source: Bank of Canada Review.

Outstanding Government of Canada Treasury bills, bonds (by term to maturity), and Canada Savings Bonds (as of November 29, 1995)

Treasury bills	Marketable bonds						Canada Savings Bonds	Total
	0 – 2 years	2 – 5 years	5 – 10 years	10 – 20 years	20 – 30 years	Total		
			(billions of dollars)					
165.9	45.2	65.6	77.1	31.8	30.0	249.7	31.6	447.2

Sources: Bank of Canada, Department of Finance.

Government of Canada long-term credit ratings (as of November 30, 1995)

Moody's Investor Service: Aa1 (Canadian dollar debt)
Aa2 (Foreign currency debt)

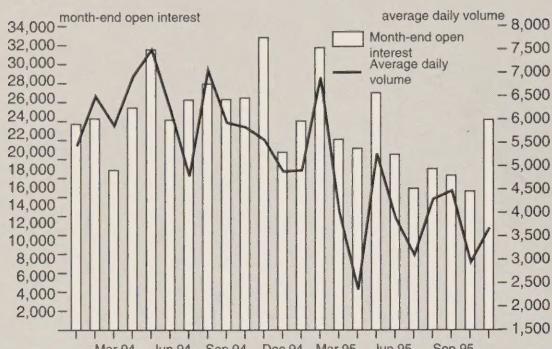
Standard & Poor's: AAA (Canadian dollar debt)
AA+ (Foreign currency debt)

Dominion Bond Rating Service: AAA (Canadian dollar debt)
AA (high) (foreign currency debt)

Canadian Bond Rating Service: AA+

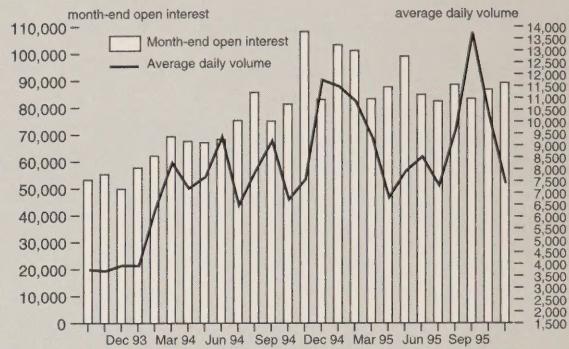
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Ten-year Government of Canada bond futures



Source: The Montreal Exchange.

Three-month Bankers Acceptance futures



Source: The Montreal Exchange.

Government of Canada budgetary deficit

	(billions of dollars)
1991-92 fiscal year	34.4
1992-93 fiscal year	41.0
1993-94 fiscal year	42.0
1994-95 fiscal year	37.9
1995-96 fiscal year (Budget: February 27, 1995)	32.7

Source: Department of Finance.

Government of Canada marketable debt issues

(April 1, 1995 to December 1, 1995)

	Treasury bills	Marketable bonds
	(billions of dollars)	
Gross issues	270.2	34.6
Maturities	270.8	11.0
Net issues	-0.6	23.6

Source: Department of Finance.

Forthcoming Government of Canada marketable bond maturities

	(millions of dollars)
January to March 1996	11,000
April to June 1996	5,475
July to September 1996	8,955
October to December 1996	3,425
January to March 1997	8,200

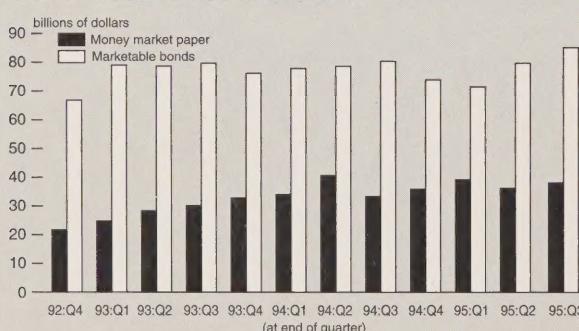
Source: Department of Finance.

Outstanding Government of Canada/U.S. dollar-denominated debt (as of November 30, 1995)

	(millions of U.S. dollars)
Canada bills	3,053
9% bonds maturing February 27, 1996	1,000
Floating rate note maturing February 1999 (paying LIBOR less 25 basis points)	2,000
6 1/2% notes maturing July 7, 1997	2,000
6 1/2% bonds maturing May 30, 2000	1,500
6 1/2% bonds maturing July 21, 2005	1,500

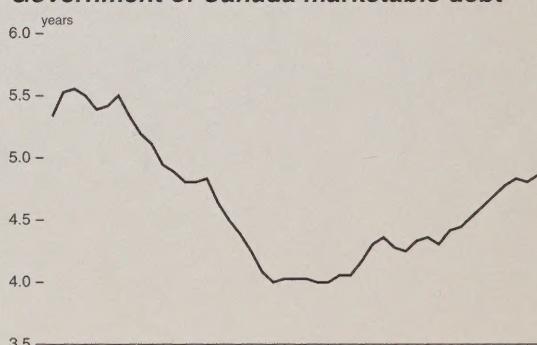
Source: Department of Finance.

Foreign holdings of Government of Canada securities



Source: Statistics Canada.

Average term to maturity of Government of Canada marketable debt



Source: Bank of Canada Review.

Except as noted, the information in **Government of Canada Securities** is based upon data available as of November 30, 1995.
For further information, contact Nigel Stephens at (613) 943-1944. Cet imprimé est également offert en français.



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